

ATTACHMENT 11



Accelerated MIS Program 1.0 Principles



- *Aligned on clinical value:* surgeon champion and executive – da Vinci surgery improves outcomes (open to MIS)
- *Philosophy of open access:* da Vinci for every applicable department
- *Long term partnerships for the acquisition of Systems and Service:* removes barrier to adoption and raises the bar for competition
- *Mutual committed performance levels:* procedures, trainings, revenue, etc.
- *More deeply commits our entire ecosystem to the customer*

What Accelerated MIS Program 1.0 is not?

- Not a solution for all customers... 2018 goal represents <10% of system sales
- Not a contract that solves the system acquisition without the validation of clinical value of our technology
- Not a program that changes our current I/A business model or pricing

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Accelerated MIS Program 2.0 Principles

- *Accelerated MIS Program 1.0 Principles ++*
- *Belief in the enhanced episode outcome and total cost of care:* da Vinci is the best for the patient, provider, societal outcome
- *Shared risk on fixed and variable outcomes of procedure:* align with customer on total episodic cost of care
- *Mutual commitment to clinical performance:* length of stay, HAI rate, re-op rate, etc.
- *Entrenches Intuitive in Patient Care*

What Accelerated MIS Program 2.0 is not?

- Not a solution for all customers... see robotics as future of medicine

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Usage Fee Models



	Fixed Fee covering Capital and Service Payments	Fixed Fee covering Capital, I&A, and Service Payment
Fee does not vary by the type of procedure done	Per Use Fee	Global Per Use Fee
Fee varies by the type of procedure done	Per Procedure Type Fee	Global Per Procedure Type Fee
AMP 1.0		AMP 2.0

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2018 Goals



	S Korea Opportunity	S Korea 2018 Goal	U.S. Opportunity	U.S. 2018 Goal
Customers				
Sockets				
Procedures				

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Customer Construct Differences



① [REDACTED] – type customer:

- Incremental systems at one location

② [REDACTED] – type customer:

- 40+ hospitals in each health system
- Fairly broad dispersed coverage

Specific Deal Highlights - [REDACTED]



2 system deal (2 Xi)

- [REDACTED] per use (System and Service)
- Target use of 370 procedures per year (over 10 years)
- Signed in Q3 and delivered

Specific Deal Highlights - [REDACTED]



7 system deal (3 Xi, 4 X, 4 Second Consoles)

- [REDACTED] per use (System and Service)
- Target use of 1950 procedures per system (over 7 years)
- Upgrade clauses for net new contracts
- Incremental training and grant concessions
- Goal is to sign before EOY

Specific Deal Highlights - [REDACTED]



? system deal (Xi Dual Below, system and service)

- Use 0-150 \$[REDACTED] per use
- Use 151-300 \$[REDACTED] per use
- Use 301-450 \$[REDACTED] per use
- Use 451+ \$[REDACTED] per use
- Upgrade clauses for net new contracts
- Includes standard KP training offering @ [REDACTED] for lifetime
- Goal is to integrate model into master agreement offering